

# EC104: The World Economy – History and Theory

## Lectures

R 4-5pm @R0.21, F 1-2pm @OC1.05

## Tutorials

M several times (check tabula)

## Module lecturers

- Term 1 (weeks 1-10) Claudia Rei ([c.rei@warwick.ac.uk](mailto:c.rei@warwick.ac.uk))
- Term 2 (weeks 1-4) Yannick Dupraz ([y.dupraz@warwick.ac.uk](mailto:y.dupraz@warwick.ac.uk))
- Term 2 (weeks 5-10) James Fenske ([j.fenske@warwick.ac.uk](mailto:j.fenske@warwick.ac.uk))

## Module tutors

- Cecilia Lanata-Briones ([cecilia.lanata-briones@warwick.ac.uk](mailto:cecilia.lanata-briones@warwick.ac.uk))
- Claudia Rei ([c.rei@warwick.ac.uk](mailto:c.rei@warwick.ac.uk))
- Eugenia Nazrullaeva ([e.nazrullaeva@warwick.ac.uk](mailto:e.nazrullaeva@warwick.ac.uk))
- Yannick Dupraz ([y.dupraz@warwick.ac.uk](mailto:y.dupraz@warwick.ac.uk))

## Support and feedback hours

check lecturer/tutor website

Module website <https://warwick.ac.uk/fac/soc/economics/current/modules/ec104/>

## Principal Aims

This module explains how the world economy got to be where it is today, focusing on the success and failure of several key countries and regions. The long-term changes in world income and population are quantified, the forces that explain the success of leaders are identified and the obstacles that hindered economic advance in lagging regions are explored. The interaction between rich countries and the rest is scrutinised to assess the degree to which backwardness may have been due to domestic issues or foreign policy. Students will complete the module with a strong understanding of the historiography and a broad knowledge of how the world economy has evolved.

## Assessment

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|------------------------------|-----|
| - Participation in tutorials | 10% |
| - Assignment 1 (in groups)   | 20% |
| - Assignment 2 (individual)  | 20% |
| - Final exam                 | 50% |

## Assignments

1,200-word essay on one out of the four questions posted on moodle for each assignment. The deadline is on the first Wednesday after the end of term at 12-noon. Please refer to moodle for submission guidelines, essay advice, avoiding plagiarism, as well as specific assessment criteria. The first assignment is done in pre-determined groups of 2-3 students, while the second assignment is submitted individually.

## Exam

The 2-hour exam in term 3 consists of two parts, on the material covered in each of the two terms. In each part students should answer two out of four questions.

### Required readings

- Baten, J. (2016), *A History of the Global Economy: 1500 to the Present*, Cambridge: Cambridge University Press.
- Findlay, R. and K.H. O'Rourke (2007), *Power and Plenty: trade, war, and the world economy in the second millennium*, Princeton, NJ: Princeton University Press.

### Module topics, corresponding required readings and class structure

#### **Term 1**

##### 1. Introduction and Pre-Modern Growth

- Required Reading 1: Findlay and O'Rourke, Ch. 1 "Introduction: Geographical and Historical Background"
- Required Reading 2: Findlay and O'Rourke, Ch. 2 "The World Economy at the Turn of the First Millennium"
- Required Reading 3: Findlay and O'Rourke, Ch. 3 "World Trade 1000–1500: The Economic Consequences of Genghis Khan"

##### *Class Structure (weeks 3-4 in term 1):*

- Logistics: who the tutor is, informing the students that the classes cover both the lectures and readings, that we will typically run the seminars by breaking them into groups to discuss questions that are already online, and that they will be graded for showing up and taking part.
- Question on lectures: "What is the Malthusian trap? What does it explain about the world before 1500?"
- Question on required readings: "Were the Islamic World and China more advanced than Europe before the black death?"

##### 2. Trade and empire before the Industrial Revolution

- Required Reading 1: Findlay and O'Rourke, Ch. 4 "World Trade 1500–1650: Old World Trade and New World Silver"
- Required Reading 2: Findlay and O'Rourke, Ch. 5 "World Trade 1650–1780: The Age of Mercantilism"

##### *Class Structure (weeks 5-6):*

- Question on lectures: "What is the great divergence? Be sure to discuss timing and measurement"
- Two questions on required readings:
  - "What were the economic consequences of Europe's discovery of the New World before 1650?"
  - "How did the economies of Asia fare in the age of mercantilism?"

##### 3. The Industrial Revolution

- Required Reading 1: Findlay and O'Rourke, Ch. 6 "Trade and The Industrial Revolution"

*Class Structure (weeks 7-8):*

- Question on lectures: “What explains the British Industrial Revolution?”
- Question on required readings: “What was the role of trade in the Industrial Revolution?”
- A pause in which we take stock of how things are going for the students so far. Maybe ask them how they’re doing in preparing their essays.

4. Industrialization and Living Standards

- Required Reading 1: Jan Luiten van Zanden, North-Western Europe in Joerg Baten (ed). A history of the global economy: 1500 to the present.
- Required Reading 2: Joerg Baten, Southern, Eastern and Central Europe in Joerg Baten (ed). A history of the global economy: 1500 to the present.

*Class Structure (weeks 9-10):*

- Question on lectures: “How did the industrial revolution affect living standards?”
- Two questions on required readings:
  - “How did “modern economic growth” spread throughout North West Europe?”
  - “How did the different regions of Central and Eastern Europe develop in the nineteenth and early twentieth centuries?”

5. Globalization and Colonization

- Required Reading 1: Findlay and O’Rourke, Ch. 7 “World Trade 1780–1914: The Great Specialization”
- Required Reading 2: Gareth Austin, Sub-Saharan Africa in Joerg Baten (ed). A history of the global economy: 1500 to the present.

*Class Structure (weeks 1-2 in term 2):*

- Question on lectures: “Was the second wave of imperialism an economic phenomenon?”
- Two questions on required readings:
  - “How did trade in the long nineteenth century differ from trade in the periods that came before it?”
  - “How did colonization affect African economies?”

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**Term 2**

6. The Second Industrial Revolution and the Rise of the United States

- Required Reading 1: Price Fishback, The United States and Canada in Joerg Baten (ed). A history of the global economy: 1500 to the present. Ch. 3
- Required Reading 2: Luis Bértola and José Ocampo, Latin America in Joerg Baten (ed). A history of the global economy: 1500 to the present. Ch. 4

*Class Structure (weeks 3-4):*

- Question on lectures: “Why did Britain lag behind in the second industrial revolution?”
- Two questions on required readings:
  - “What explains America’s comparatively strong growth performance over the long run?”
  - “Why did the economies of Latin America not experience the same growth as the United States in the late nineteenth century?”

7. The Interwar Period

- Required Reading 1: Findlay and O’Rourke, Ch. 8 “World Trade 1914–39: Deglobalization”
- Required Reading 2: Tirthankar Roy, The economic history of South Asia: a survey of quantitative research in Joerg Baten (ed). A history of the global economy: 1500 to the present.

*Class Structure (weeks 5-6):*

- Question on lectures: “Did the gold standard cause the Great Depression?”
- Two questions on required readings:
  - “What was the role of trade in the Great Depression?”
  - “How did colonization affect the South Asian economy?”

8. Postwar Recovery and Decolonization: 1945-1979

- Required Reading 1: Findlay and O’Rourke, Ch. 9 “Reglobalization: The Late Twentieth Century in Historical Perspective”
- Required Reading 2: Rima Ghanem and Joerg Baten, Middle East, North Africa and Central Asia in Joerg Baten (ed). A history of the global economy: 1500 to the present.

*Class Structure (weeks 7-8):*

- Question on lectures: “Why did some countries grow much faster than others after 1945?”
- Two questions on required readings:
  - “Why did reintegration of the world economy take the form that it did?”
  - “How has oil affected development in the Middle East and North Africa?”

9. Economic Reform: 1979-2001

- Required Reading 1: Osamu Saito, Japan's long-run growth process in a Eurasian perspective in Joerg Baten (ed). A history of the global economy: 1500 to the present.
- Required Reading 2: Debin Ma, China in Joerg Baten (ed). A history of the global economy: 1500 to the present.

*Class Structure (weeks 9-10):*

- Question on lectures: “What are the important similarities and differences in the liberalization processes experienced by developed and developing countries?”
- Two questions on required readings:
  - “What explains Japan’s economic success since 1868?”
  - “When comparing Chinese development from 1895 to 1949 with Chinese economic development since 1950, what are the important similarities and differences?”

10. The Contemporary World Economy: 2001-present

- Required Reading 1: Findlay and O’Rourke, Ch. 10 “Globalization at the Dawn of the Twenty-First Century”
- Required Reading 2: Martin Shanahan, Southeast Asia and Australia/New Zealand

*Class Structure:* no class, but review questions posted on moodle

- Question on lectures: “What is China’s role in the contemporary world economy?”
- Question on required readings: “What explains Japan’s economic success since 1868?”